



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	SB0287	Title:	Consumer health freedom and access act
Primary Sponsor:	Balyeat, Joe	Status:	As Amended

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
State Special Revenue	\$249,270	\$0	\$0	\$0
Revenue:				
State Special Revenue	\$249,270	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact:

The fiscal impact from SB 287 reflects the costs of amending administrative rules for 21 health care licensing boards and one health care program. The number of complaints from unlicensed practitioners may increase and may impose higher costs on the department.

FISCAL ANALYSIS

Assumptions:

1. The department has 21 boards and one program that license 45,294 health care professionals.
2. Because no two board's rules are similar in content, the department will need to amend each of these boards/program administrative rules to remove any language that conflicts with SB 287. Attorney time to review each of the 22 board/program's rules and preparation of the rule notice is estimated to be 40 hours per board/program for a total of 880 hours. The boards pay a rate of \$95 per hour for attorney time to the Legal Services Bureau. $\$95 \times 880 \text{ hours} = \$83,600$ in FY 2010.
3. It is assumed there will be 4 rule notice pages per board/program. The rule changes will be combined into one 88 page rule notice @ \$50 per page charged by the secretary of state's office for a cost of \$4,400 in FY 2010.
4. There will be one 4 hour hearing on the proposed rules. The rule hearing will cost \$780 (hearing examiner @ \$95 per hour x 4 hours = \$380 + court reporter @ \$100 per hour x 4 hours = \$400) in FY 2010.

5. It will take 20 hours of attorney time to compile oral and written comments for each of the 22 boards/program @ \$95 = \$41,800 in FY 2010.
6. It will take one attorney 40 hours to prepare the final notice @ \$95 per hour = \$3,800 in FY 2010.
7. All licensed health care professionals and interested parties will need to be notified of the proposed rules, the hearing and the adoption of the rules. There are presently 45,294 licensed health care professionals plus an estimated 1,000 interested parties who will need to be notified by post card and guided to the board's website to review the notices. Printing and mailing is estimated to be \$92,590 (\$1 for printing and postage x 46,295 licensees and interested parties x 2 mailings) in FY 2010.
8. In order to have the rules in place by the effective date there will need to be 2 additional board meetings for each board in early FY 2010. One meeting to review and approve the proposed rules and another meeting to review the public comments, formulate responses in conjunction with board counsel, and approve the adoption. To cut costs, these 2 additional board meetings will be done via conference call.
9. There are 135 board members in the health care licensing bureau. Each board member will receive \$50 per diem x 2 meetings = \$13,500; average cost per conference call is \$200 x 2 meetings x 22 boards/programs = \$8,800. Total costs \$13,500 + \$8,800 = \$22,300.
10. The fees for licensed health care professionals will be set commensurate with costs. Fees will increase in FY 2010 approximately \$5.50 per license (\$249,270 / 45,294 licensed practitioners = \$5.50).

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Expenses	\$249,270	\$0	\$0	\$0
TOTAL Expenditures	\$249,270	\$0	\$0	\$0
<u>Funding of Expenditures:</u>				
State Special Revenue (02)	\$249,270	\$0	\$0	\$0
TOTAL Funding of Exp.	\$249,270	\$0	\$0	\$0
<u>Revenues:</u>				
State Special Revenue (02)	\$249,270	\$0	\$0	\$0
TOTAL Revenues	\$249,270	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
State Special Revenue (02)	\$0	\$0	\$0	\$0

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date